

**House Study Bill 60 - Introduced**

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
WAYS AND MEANS BILL BY  
CHAIRPERSON KAUFMANN)

**A BILL FOR**

1 An Act relating to the sales tax imposed on amusement devices.  
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 423.2, subsection 4, Code 2023, is  
2 amended to read as follows:

3 4. *a.* A tax of six percent is imposed upon the sales price,  
4 less prizes actually paid, derived from the operation of all  
5 forms of amusement devices and upon the sales price derived  
6 from the operation of all games of skill, games of chance,  
7 raffles, and bingo games as defined in [chapter 99B](#), and card  
8 game tournaments conducted under [section 99B.27](#), that are  
9 operated or conducted within the state, the tax to be collected  
10 from the operator in the same manner as for the collection of  
11 taxes upon the sales price of tickets or admission as provided  
12 in [this section](#). Nothing in [this subsection](#) shall legalize any  
13 games of skill or chance or slot-operated devices which are now  
14 prohibited by law.

15 *b.* The Except as provided in paragraph "a", the tax  
16 imposed under [this subsection](#) covers the total amount from the  
17 operation of games of skill, games of chance, raffles, and  
18 bingo games as defined in [chapter 99B](#), card game tournaments  
19 conducted under [section 99B.27](#), and musical devices, weighing  
20 machines, shooting galleries, billiard and pool tables,  
21 bowling alleys, pinball machines, slot-operated devices  
22 selling merchandise not subject to the general sales taxes  
23 and on the total amount from devices or systems where prizes  
24 are in any manner awarded to patrons and upon the receipts  
25 from fees charged for participation in any game or other  
26 form of amusement, and generally upon the sales price from  
27 any source of amusement operated for profit, not specified  
28 in [this section](#), and upon the sales price from which tax is  
29 not collected for tickets or admission, but tax shall not be  
30 imposed upon any activity exempt from sales tax under section  
31 423.3, subsection 78. Every person receiving any sales price  
32 from the sources described in [this section](#) is subject to all  
33 provisions of [this subchapter](#) relating to retail sales tax and  
34 other provisions of [this chapter](#) as applicable.

35

EXPLANATION

1           The inclusion of this explanation does not constitute agreement with  
2           the explanation's substance by the members of the general assembly.

3       This bill provides a sales tax exemption on the sales price  
4 from the operation of amusement devices, to the extent the  
5 amount of the sales price represents amounts that will be  
6 awarded as prizes during the operation of such devices.